

Ivan's Note to Bidders: We have attempted to answer as many of these questions as possible either through this Q&A, an addendum, or are still currently seeking answers.

QUESTIONS AND ANSWERS FOR BIDDER'S CONFERENCE

APRIL 13, 2004 – Answers

1. Questions about what we consider successful results by current contractor. We have not received their final report and have not determined what aspects of their campaign we consider successful. How should we respond to these questions?

What was most successful about the previous ULTS marketing projects? In which areas would the CPUC like to see improvements?

Does Richard Heath and Associates presently hold the marketing contract? How satisfied are you with the present holder of the marketing contract? What have been the incumbent's strengths? What areas could be improved?

Has the CPUC identified any particular challenges which are not being met in the present marketing program, and if so, what are they?

Does the CPUC foresee the need for any new directions or approaches beyond what is presently being accomplished, and if so what are they?

How was the success of the current contract tracked?

The success of the current contractor has not yet been established. That will not happen until after the completion of the existing contract, which ends May 31, 04, upon which the contractor will submit a final report to the Commission. That information will not be available before the bid deadline for this RFP.

2. Questions about current contractor and subcontractors. How much information do we give out? If we don't provide all desired info, what is rationale for not doing so

When did the contract with Deen and Black Public Relations end?

Ref Section 2.1 The RFP asks for a detailed marketing plan as part of the proposal. Doesn't this bias the RFP towards the incumbent who already has performed the work to develop this plan, and has more detailed information than any proposer would have?

All proposals will be evaluated on its own merits and scored on its own merits.

Who currently handles the contract? And, for how long have they been servicing the business?

Richard Heath and Associates currently has the contract. Work began on the contract Mid-April 2003.

Who are your current contractors for Community Outreach activities, PR/Social Marketing activities and Media Buying?

RHA currently subcontracts with Panagraph, Inc., SAESHE and 45 Community Based Organizations

Is the marketing board still in effect? If so, who are the board members and who is the appointed leader? Yes, List available on website. A list of members also on table. However, you all are advised to read the conflict of interest section 4.3.2, of the RFP, where it states that a proposer will be automatically disqualified for, among other things, any involvement with or attempt to influence the deliberations of an advisory board or committee assisting the CPUC.

3. Call Center Operation and Relationship With Marketing Program.

Under "Creation of the ULTS Marketing Board," 4th paragraph, page 4, please clarify the relationship with the Call Center. Marketing activities will definitely affect the Call Center, and the Call Center's ability to respond will affect marketing activities. (This is somewhat clarified at the top of page 7, but it would still be helpful to know how the CPUC envisions this interdependent relationship working.)

Both entities work cooperatively with each other. Any issues that might arise would be mediated by the Commission.

Essentially, the purpose of the marketing, education and outreach program is to make potential customers aware of the program, identify and interact with individuals who are eligible or may be eligible, and connect them to the Call Center.

The function of the Call Center is to verify eligibility and connect the individual with a carrier that will provide service. Both entities are expected to perform a wide range of related and supportive functions.

1.3 Purpose and Description, 7th paragraph, page 6. please clarify. This sounds like a Call Center activity.

No, it is a marketing, education, outreach function. The upfront work with individuals is carried out by the program at issue today. When the customer is transferred to the call

center, most, if not all information on that customer has already been obtained and transmitted to the call center.

Could you please clarify the role and function of the contractor vs. the role and function of the Call Center, referring to item number 7 on page 6. Will the contractor be involved in day-to-day Call Center operations? The Call Center Operations are separate from this contract. However, there is continuous interaction between the call center and the marketing, outreach and education program.

When does the cost center contract end?

The call center contract expires 3/31/06.

Further define the working relationship between this contractor and the ULTS call center. For example, what tasks are part of the relationship between the call center and the contractor for this RFP (meetings, forwarding media schedules, etc)?

Please confirm that the current Call Center can provide information in all targeted languages. Yes.

Page 4 in the 3rd paragraph of the RFP states the contractor maintain a specified working relationship with the call center. The call center, however, shall remain the sole responsibility of the current contractor. What will be the nature of this relationship and to what extent will the new contractor manage the call center? The nature of the relationship is discussed above. The new contractor will not be managing the Call Center Contract.

What is the relationship between the ULTS Call Center and the Contractor for this Project: who is actually responsible for accuracy and timeliness of responses? The Call Center is responsible for the timeliness of answering the phone, and not dropping calls, etc. However, the marketing program is responsible for coordinating with the Call Center to inform them of media/education/outreach events that may increase incoming calls, so the Call Center can staff appropriately, etc..

- a. The ULTS Call Center has been working on messages for a year; with this contract, how will the division of responsibility be defined?
- b. Since the Call Center is in direct contact with the constituents, how would the contractor for this project be responsible for the length of time a person is on the phone? The amount of time the person is on the phone is not an issue here.
- c. What will the working relationship be between the contractor and the Call Center?

4. Contract/ Bid Related Issues.

For the bid price for each successive year, do you require all of the cost detail format (listed on page 13) as required for the first year's bid or simply a "not-to-exceed" total.

A not-to-exceed total is sufficient.

Page 14 states that bids must also provide the cost of each one-year extension. Will the bid be awarded based on the first-year amount or by totalling up the amounts bid for all three years?

As stated in the RFP, the contract will be for a duration of 12 months, though there is the possibility of two 1-year extensions. The winning bid will be determined by the lowest amount for the first year.

To comply with the DVBE requirement, if a bidder already has identified a DVBE supplier to provide services to meet the participation goal, must the good faith effort also be conducted?

The Good Faith Effort is required for those who are unable to satisfy the 3% DVBE participation goal. If you have identified a DVBE supplier, the Good Faith Effort is not necessary.

On Page 19 under "Phase 4", you reserve the right to reject the lowest bidder if you believe the vendor will be unable to fulfill identified tasks with the amount listed in the bid. What process do you use for determining this?

The goal of this provision is to deter unreasonable "low-balling" and misrepresentations during the selection process. The Commission may ask the intended awardee to provide additional details regarding how they intend to accomplish their goals in connection with their bid price, RFP, and proposal. If, after this hearing, the Commission can reasonably conclude that the proposed work product and bid were intended to mislead the evaluators, the Commission may reject the proposal.

On Page 18 Phase Two (Pass/Fail) section, please explain how "Timeliness in Providing Services" and "Quality of Prior Technical Reports" will be evaluated or determined. Are examples of the proposers prior technical reports to be submitted and if so, in what quantity? Yes. Pg. 15. Quantity not determined. If firm only has one or two examples, that is what they submit. However, if a firm has dozens of examples, I would expect them to pick out 3 – 4 that demonstrate their best work related to this project. How do you define a technical report? There are reporting requirements, etc. included in the RFP. I would suggest that reports that demonstrate the proposer's experience in this area be submitted.

How should proposers demonstrate "Timeliness in Providing Services"?

On pg. 15 the RFP requests that the proposals include previous experience of the Contractor that includes ability to complete a project on time and within original

timeframe. Examples of this ability could be documentation of a timeline proposed in another project, and documentation that work was completed within that timeline.

Does the lead agency need to have a certain amount of billings to be the lead for the contract?

The RFP does not require that. However, the lead agency should have a strong grasp of all the aspects of the marketing program as they will be the primary contact between the Commission and the marketing team.

There is no section titled SOW in the RFP, so are we to assume that responses in regards to 1.5 (minimum qualifications for proposers), 2.1 (marketing plan and work schedule requirements), 2.2 (cost detail format and requirements) and 2.3 (contractor experience and staffing proposal) represents the required information?

The marketing teams should probably consider 1.3 (Purpose and Description of Services) as the primary purpose of the RFP. However, the other sections identified are also critical.

In reference to the DVBE participation goal of 3% (page 25), is that for the entire contract or the media portion of the contract?

The DVBE participation goal is for the entire contract. If 3% cannot be achieved, a Good Faith Effort must be performed. Otherwise, your proposal will be deemed non-responsive.

There does not appear to be a mandatory "Intent to Bid" letter. Is that correct?

Correct.

Page 7 states that the contractor will report directly to the Director of TD and the Director of the CPID: are those two individuals solely responsible for approvals or will the contractor be presenting to a larger group such as the marketing board for approvals of campaign elements?

The two directors have ultimate authority of approval. General practice is that the contractor will present to staff who are involved with the program, and then staff will make a recommendation to the Directors. If it is a key element, or particularly costly element, then the Directors may choose to participate directly.

While you requested that each bidder submit a workplan/timeline and budget, what is the total dollar amount not to be exceeded for the contract year?

That should be your cost proposal. Potential teams are to submit bids for a contract for a duration of 12 calendar months.

Page 12 refers to the proposers conference and "appropriate fees." What are the "appropriate fees"?

These are the fees that the CPUC charges for reproduction costs.

Page 18 of the RFP in phase 2 of the scoring section is reserved for Quality of Prior Technical Reports. Can you elaborate on this scoring parameter?

No.

5. Measurement, Reporting and Data Gathering Questions.

On page 6 of the RFP you state that the ULTS goal is 95% penetration across all eligible households. How is this penetration rate calculated? 95% is the goal. The actual penetration rate has not be calculated recently. Is this data available?

On Page 7 of the RFP, the tracking report criteria refer to "enrollment" data. As well, on page 8 of the RFP, the second bullet refers to obtaining enrollment information by zip code or other geographic areas and by demographic element. Will the carriers be mandated to provide monthly information on these data elements to the marketing contractor? No. Nice suggestion, but would require a Commission resolution or decision.

If not, how will the marketing contractor obtain this information from the carrier? That is an error in the RFP. Enrollment should be replaced with "successful transfers to call center".

On Page 8 of the RFP, the contractor is requested to provide a research report on residents potentially qualifying for ULTS and those who may not qualify by zip code, area code or other means. What is your expectation on the depth of this report in terms of whether existing data is utilized to analyze the numbers or are you seeking a new research effort. Existing data, plus any innovative approaches the proposers may suggest to obtain that data.

For the research report requested on Page 8 of the RFP, will the CPUC be providing data from the carriers? No, that information would be provided by the contractor. Such questions would be part of the interaction with the individuals. Is there a new PUC mandate that will require carriers to share this information with the contractor? No.

On Page 10, bullet 2, you refer to "sustainable long-term increases in participation". How will this be measured? Define long-term. Delete that bullet.

Is there a research company being used or does the state have its own practices in place?

Was any research conducted? If so, is it available? And, who was the vendor?

Will the data gathered since the inception of the ULTS marketing activities (p. 4 of RFP) be made available for our review or to make copies? No. Delete that line. Will only be available after end of current contract, and that expectation no longer stands.

If it is not articulated in the data referred to in question #2 above, what are the measurable results thus far?

Page 6 of the RFP indicates a marketing plan that penetrates 95% of eligible households. In the past, how has the penetration rate been measured? Will there be similar methods of measurement?

What was the subscribership rate for each target audience when the campaign began?

What is the current subscribership rate, as a result of the contract? Don't know yet.

6. General RFP Questions.

1.3 Purpose and Description, 2nd paragraph, page 6. please clarify the eleven target groups. (Twelve are mentioned at the top of page 5.) Social agency and welfare recipients not target group. Good way to reach eligible population in both target groups and in general.

1.3 Purpose and Description, 9th paragraph, page 6. please clarify. Has something like this been done in the past? Is it currently being done? Yes. Describe briefly and generally. If so please describe. If not, please provide more direction on the scale envisioned for this activity Program should be developed by proposer. 1.4 Paragraph 3 on page 9. Is the CPUC requesting just one mid-point oral presentation, or more? Is it one or two per Fiscal Year, or how many? One mid-point presentation. One final presentation at end of contract period.

2.1 on pages 12 & 13, "description of all of the elements of the marketing campaign," etc. This should ideally be done in conjunction with a review of all the market research materials available and results of previous efforts with ULTS staff. We understand that some of this material may be available, but a thorough review would appropriately be part of the project. What level of detail is the CPUC requesting here?

We are asking for details of your marketing plan, not requiring that it be based on part program activities.

What is the annual funding amount for this program? Maximum \$5 million per year.

On Page 6 of the RFP, the seventh bullet refers to "filling out the application", are you referring to a telephone carrier application or is there a general application that

has been created? Not a telephone carrier application, but a general application that gathers required info for enrollment, to be passed on to call center. Created by contractor.

Formal definition of who is eligible for ULTS. How do you define qualifying low-income households? Available on website. Some sheets available on table.

On page 4 you reference Phase II of the campaign. Please explain what Phase II was about and who conducted that component.

Please explain the term "competitively neutral" (Section 1 and elsewhere). Competitively neutral means the program is not promoting any particular telephone carrier. If individual does not know who they want to choose. List will be randomly generated. Little history on why competitively neutral was implemented.

What role will wireless telephone service play in your definition of universal life line service? None. Universal service is currently defined as wireline service.

7. Conflict of Interest Questions.

If we were to accept a small project from the AT&T corporation to produce some informational materials about their Video Relay Service and Internet Relay Service would that be a conflict of interest and therefore disqualify us, as described in section 4.3.2.a of RFP 03PS5427 ULTS Marketing Program?

Section 4.3.2.a appears to be fairly clear on the matter.

What specifically do you consider relationships with conflicts of interest?

Please read all of Section 4.3.

